

UNITED STATES DEPARTMENT OF AGRICULTURE

AGRICULTURAL ADJUSTMENT ADMINISTRATION

(Peanut Regulations, Series 1, No. 1)

MARKETING YEAR, RATE OF PROCESSING TAX, DEFINITIONS, AND CONVERSION FACTORS WITH RESPECT TO PEANUTS

PEANUT REGULATIONS MADE BY THE SECRETARY OF AGRICULTURE, WITH THE APPROVAL OF THE PRESIDENT, UNDER THE AGRICULTURAL ADJUSTMENT ACT

UNITED STATES DEPARTMENT OF AGRICULTURE,

OFFICE OF THE SECRETARY.

By virtue of the authority vested in the Secretary of Agriculture by the Agricultural Adjustment Act, approved May 12, 1933, as amended, I, H. A. WALLACE, Secretary of Agriculture, do make, prescribe, publish, and give public notice of these regulations with the force and effect of law, to be in force and effect until amended or superseded by regulations hereafter made by the Secretary of Agriculture, with the approval of the President, under said Act.

I do hereby ascertain and prescribe that for the purposes of said Act the first marketing year for peanuts shall begin October 1, 1934.

I do hereby find, after investigation and due notice and opportunity for hearing to interested parties and due consideration having been given to all of the facts, that the rate of processing tax on the first domestic processing of peanuts as of October 1, 1934, which equals the difference between the current average farm price for peanuts and the fair exchange value of peanuts, which price and value both as defined in said Act, have been ascertained by me from available statistics of the Department of Agriculture, will cause such reduction in the quantity of peanuts, or products thereof, domestically consumed as to result in the accumulation of surplus stocks of peanuts, or products thereof, or in the depression of the farm price of peanuts. I do hereby, accordingly, determine as of October 1, 1934, that the rate of the processing tax on the first domestic processing of peanuts shall be one (1) cent per pound, farmers' stock weight, which rate will prevent such accumulation of surplus stocks and depression of the farm price of peanuts.

I. DEFINITIONS

The following terms, as used in these regulations, shall have the meanings hereby assigned to them:

First domestic processing of peanuts is the cleaning, polishing, grading, shelling, crushing, or other processing thereof.

Farmers' stock weight is the weight of peanuts in the shell, not including unattached foreign materials, which have been removed

from the vine and are in that condition which is usual and customary when delivered by the grower.

Cleaned peanuts are peanuts in the shell which have been cleaned and which may or may not have been treated for obtaining uniformity of size and color.

Shelled peanuts are peanut kernels, either whole or split, from which the shells, but not the skins, have been removed.

Blanched peanuts are peanut kernels, either whole or split, from which the skins, or skins and seed germs, have been removed.

Salted peanuts are shelled peanuts which have been cooked and to which salt has been added.

Blanched salted peanuts are blanched peanuts which have been cooked and to which salt has been added.

Roasted shelled peanuts are shelled or blanched peanuts which have been roasted.

Roasted cleaned peanuts are cleaned peanuts which have been roasted.

Peanut butter is the product of grinding roasted shelled peanuts with salt.

Peanut confections and bakery goods are confections and bakery goods which contain peanuts or any peanut products as an ingredient.

II. CONVERSION FACTORS

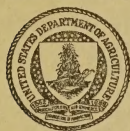
I do hereby establish conversion factors for articles processed wholly, in chief value, or partly from peanuts to determine the amount of tax imposed or refunds to be made with respect thereto as follows:

The following table of conversion factors fixes the percentage of the per pound processing tax on peanuts, farmers' stock weight, with respect to each pound of the following articles processed wholly, in chief value, or partly from peanuts:

Article	Conversion factors, per pound (percent)
Cleaned peanuts	105
Shelled peanuts	150
Blanched peanuts	172
Salted peanuts	148
Blanched salted peanuts	168
Roasted shelled peanuts	175
Roasted cleaned peanuts	116
Peanut butter	173

As to any article for which no conversion factor is assigned, I hereby establish (1) that if such article is made, directly or indirectly, in some part from another article for which a conversion factor is assigned, then as to each pound of the peanut content of such part the conversion factor shall be the conversion factor for such other article, and (2) that if such article is made, directly or indirectly, in some part from peanuts but not as to such part from another article for which a conversion factor is assigned, then as to such part the tax or refund shall be computed at the rate of the processing tax upon the basis of the amount of peanuts, farmers' stock weight, established to have been actually used in the production of such part.

In the event that the Commissioner of Internal Revenue, any taxpayer, or any person entitled to a refund establishes that any article processed from peanuts, with respect to which a tax is imposed, or which may be the subject of a claim for refund, which is included in the above list, contains more or less peanut content than represented by the listed conversion factor, then the amount of the tax or of the refund shall be computed at the rate of the processing tax upon the basis of the amount of peanuts, farmers' stock weight, established to have been actually used in the production of the article.



In testimony whereof I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed in the City of Washington this 24th day of September 1934.

H. Wallace

Secretary of Agriculture.

Approved:

Franklin D. Roosevelt

President of the United States.

SEPTEMBER 25, 1934.

